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States by telling a story about a young boy who was coming up an escalator the wrong way. According to Lord Home, he told the boy, "You cannot do that," to which the boy replied, "But I am an American." Lord Home then told his audience, saying he drew no moral, "I turned him round and I put him back on the right and proper road."

I am afraid it is the British, who in my judgment, have been traveling the wrong road. We would be in serious trouble, indeed, if we followed the suggestions of Lord Home about the proper road to travel.

I was incensed when I read this report of Lord Home's speech. I am still angry about it. But I want to make one thing clear. As one who fought in two World Wars side by side with British men and officers, I know there are no more courageous, determined, or resourceful fighters than the British. And if I had to choose anyone with whom to stand with my back against the wall in a last-ditch struggle for survival, I would not hesitate to make that stand with a Britisher. When the chips are down, they are always superb.

But my point is this, Mr. President, the American people would prefer to meet and defeat communism without first placing our backs to the wall and throwing our chips to the ground. There is no reason why at this point we should continue to negotiate ourselves into a dead-end alley where the only alternative is complete surrender or all-out war. There are many other courses we can take today with regard to Cuba, Asia, trade with the Communists, Berlin, and other points of conflict with the Communists which will strengthen our hand and, in my judgment, make all-out conflict less, not more, likely. But such a policy demands more than mere negotiation and wishful thinking. It requires allied cooperation, and even economic sacrifice.

Mr. President, we are not playing tiddlywinks with the Communists. We are involved in a serious and dangerous cold war struggle. We cannot afford to lose, and the kind of hesitation, gentleman's agreement, and timid diplomacy which played such a large part in bringing on World War II is even more out of date today than it was a quarter of a century ago. In facing the Communists, we must fight fire with fire and give up the dangerous habit of confusing the form and appearance of international agreement with the real substance of international security which we have so far been unable to achieve through diplomatic method.

SOVIET OIL OFFENSIVE

Mr. KEATING. Mr. President, the severity of the threat posed to the security of this country by the Soviet oil offensive was graphically emphasized this week with the release of a report by the National Petroleum Council. This group is an advisory body to the Federal Government, and its membership includes 80 men who are leaders in the field of petroleum production, transport, and sale. Eighteen months ago, the council was asked by the Department

of the Interior to make a factual study of the effects on the free world of the exports of oil from the Soviet bloc. A working committee, headed by George T. Piercy, of Standard Oil, and Robert Ebel, of the Department of the Interior, has produced a voluminous, well-documented report which can only be described as startling.

The committee found that the Soviet Union is the repository of vast untapped oil reserves, and that crude oil production is increasing rapidly and far exceeding all official Soviet plans. Furthermore, the Russians are stepping up their ability to export petroleum by building a major pipeline system which they would not have been able to complete thus far without obtaining materials from the free world. West Germany, Italy, and Sweden alone will supply 40 percent of the entire requirements of the Soviet 7-year plan for 40-inch pipeline.

Our allies are also cooperating in this expansion by building Russian deep sea oil tankers in Western countries. The Soviet tanker fleet will be practically self-sufficient by 1965, and two-thirds of the new tonnage will have been supplied by the free world. It is indeed surprising that the Russians seem to be surpassing even their own production estimates in this field, and distressing that the nations of the free world have formulated no coordinated plan to meet the offensive.

Soviet bloc exports to Western Europe have grown, and in the estimation of the committee which has just produced this important report, Soviet bloc exports will continue to grow. This politically motivated trade offensive has three serious consequences:

First. It reduces the revenues of the oil producing nations of the West.

Second. It enables the Communists to obtain strategic goods and technology in return for oil, from the industrialized nations.

Third. It enables the Soviets to exert political pressure on underdeveloped countries which become dependent upon receiving Soviet oil.

In recent months, I have spoken out many times in an effort to alert the country to this very real danger. It is gratifying that this long-awaited report was finally released, and I commend the National Petroleum Council, and the members of the committee for their excellent presentation. Perhaps this report will serve to awaken the public and government officials to the harsh facts.

On October 26, the Senate Internal Security Subcommittee will meet in New York to hear testimony relating to trade with the Soviet bloc. It is my hope that the witnesses at the hearing will be able to give us additional information on this oil problem in particular. With this objective in mind, the subcommittee staff is preparing to receive testimony from some of the men who compiled this excellent report.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. MANSFIELD. Mr. President, I move that the Senate stand in recess, subject to the call of the Chair.

The motion was agreed to; and (at 1 o'clock and 20 minutes p.m.) the Senate took a recess, subject to the call of the Chair. At 2 o'clock p.m., the Senate reassembled, when called to order by Hon. LEE METCALF, a Senator from the State of Montana.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., October 13, 1962.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. LEE METCALF, a Senator from the State of Montana, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. METCALF thereupon took the chair as Acting President pro tempore.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12900) making appropriations for certain civil functions administered by the Department of Defense, certain agencies of the Department of the Interior, the Atomic Energy Commission, the St. Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and certain river basin commissions, for the fiscal year ending June 30, 1963; that the House receded from its disagreement to the amendments of the Senate numbered 4, 13, and 18 to the bill and concurred therein, and that the House receded from its disagreement to the amendment of the Senate numbered 2 to the bill and concurred therein, with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

H.R. 6371. An act to amend the Internal Revenue Code of 1954 with respect to the limitation on retirement income, and with respect to the taxable year for which the deduction for interest paid will be allowable to certain building and loan associations, mutual savings banks, and cooperative banks;

H.R. 8269. An act for the relief of Dr. Walter H. Duisberg;

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H.R. 8517. An act to grant emergency officer's retirement benefits to certain persons who did not qualify therefor because their applications were not submitted before May 25, 1929; and

H.R. 10501. An act for the relief of Kenyon B. Zahner.

PUBLIC WORKS AUTHORIZATION BILL—CONFERENCE REPORT

Mr. KERR. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13273) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes. I ask unanimous consent for the present consideration of the report.

The ACTING PRESIDENT pro tempore. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of October 12, 1962, pp. 22131-22140, CONGRESSIONAL RECORD.)

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. KERR. Mr. President, the report was agreed to by all the conferees, and is signed by all members of the conference committee.

The conferees carried on extensive and intensive deliberations, and reached an agreement which will make it possible to carry forward projects which are extremely vital to the improvement and strengthening of our economy.

There were a number of projects on which hearings had not been held on the House side, and on which the House conferees could not agree. The Senate receded very reluctantly on these projects; but we have received a commitment from the managers on the part of the House that the Committee on Public Works of the House will hold public hearings as soon as practicable after the next Congress convenes, on the following projects which were considered by the conferees, and are not included in this conference report. They are Cape Fear River Basin, N.C.; Flint River, Ga.; the South Fork of the Cumberland River, Ky., and Tenn.; Knowles Dam and Reservoir, Flathead River, Mont.; Burns Creek Dam and Reservoir, Snake River, Idaho; Waurika reclamation project, Oklahoma; Savannah River-Duke Power Co., South Carolina and Georgia; and Trotter's Shoal Reservoir, Savannah River.

Mr. President, I refer to page 48 of the conference report as presented to the House by Mr. DAVIS of Tennessee, a copy of which is on the desks of Senators, for the statement of the managers on the part of the House, as follows:

EARLY HEARINGS

The managers on the part of the House made a commitment that the Committee on Public Works of the House would hold public hearings as soon as practicable after the next Congress convenes on the following projects which were considered by the conferees and which are not included in this

conference report: Cape Fear River Basin, N.C.; Flint River, Ga.; the South Fork of the Cumberland River, Ky., and Tenn.; Knowles Dam and Reservoir, Flathead River, Mont.; Burns Creek Dam and Reservoir, Snake River, Idaho; Waurika reclamation project, Oklahoma; Savannah River-Duke Power Co., South Carolina and Georgia, and Trotter's Shoal Reservoir, Savannah River.

There will also need to be a consideration with respect to basin authorizations, and perhaps other projects will be available for consideration by that time—in 1963.

In that regard, the total cost of the projects contained in the bill as passed by the Senate was \$3,692,200,800. With the reductions made, the conference report provides for a total monetary authorization of \$2,260,220,000, and would authorize some 207 projects.

The largest item taken out of the bill in the conference was the sum of \$900,300,000 from basin authorizations. However, with the exception of the Los Angeles River Basin, in California, there is enough remaining authorization from the Flood Control Act of 1960 to cover the appropriations made in the civil functions appropriation bill, 1962, for the fiscal year 1963.

With reference to the Los Angeles River Basin, the appropriation in the current civil functions bill exceeded the existing authorizations by \$3,700,000. Therefore, the only basin authorization contained in this bill is the \$3,700,000 for the authorization required to cover the appropriations in the current appropriation bill for the Los Angeles River Basin.

The situation now is that before the Civil Functions Appropriation Act for 1963 can be considered and enacted, to provide the necessary funds for the orderly continuation of the projects in the several basins, additional authorizations will have to be made. It was the belief of the Senate committee—and it was approved by the Senate—that since it was so late in 1962, it would be the part of wisdom to include in this bill additional basin authorizations; and that was done to the extent of approximately \$900 million. That was one of the items—and the largest one—taken out of this bill in conference. It does not mean that the authorizations will not be passed. They will have to be passed next year, ahead of next year's civil functions appropriation bill.

However, the House conferees insisted that those basin authorizations be deleted from this bill; and that was when they gave the assurance that early in 1963 they would hold hearings and would initiate proceedings, early in the session of Congress next year, for the passage of legislation including not only the additional basin authorizations which were taken out of this bill, and which will be required next year, but also they agreed, as I have stated, to hold hearings on these additional projects which were deleted from this bill.

Therefore, it is quite apparent that, while the conference committee reduced the amount provided in the bill from \$3,692,200,800 to \$2,260,000, the net result is that the difference between the two amounts will, of necessity, and in

accordance with the commitment of the members of the House Public Works Committee, be before the Congress for its consideration next year.

With that explanation, I ask for approval of the conference report.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the conference report.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. KERR. I yield to the Senator from Kentucky.

Mr. COOPER. The Senator from Oklahoma referred to the agreement made by the House conferees that hearings would be held early next year upon various projects, including Devils Jump, which were not included in the bill reported by the conference. It was agreed also that these separate projects will be considered early next year in connection with the river basin projects, and if approved will be included in an omnibus bill, which will be acted upon by the Congress in 1963.

Mr. KERR. In the same bill that would provide additional river basin authorizations; that is correct.

Mr. COOPER. I note that river basin projects are not referred to in the paragraph on page 48 captioned "Early hearings." I am sure it was an oversight.

Mr. KERR. The Senator from Oklahoma does not regard it as an oversight. I think it was by reason of the fact that the managers on the part of the House took it for granted that Senators and Members of the House of Representatives both knew existing authorizations were about exhausted, and that of necessity legislation would be required early next year for additional basin authorizations. I think they had in mind to make clear and a matter of record their assurance that there would be hearings on the projects which were eliminated from the bill but which had been listed.

Mr. COOPER. I am sure that the Senator's description of the situation is correct. The projects listed in the statement of the House managers, and not included in the bill reported by the conference, if they should be approved by the House or Senate Public Works Committee, would become part of the omnibus bill which will have to be considered next year.

Mr. KERR. As the Senator from Kentucky is so well aware, because he spent so many days in the hearings of the committee, the projects which have been set forth in detail and which were deleted from the bill were all fully justified and shown to be worthy and meritorious by the reports of the various Government agencies—the Chief of Engineers, the Rivers and Harbors Board of the Corps of Engineers, the Bureau of Reclamation, and the Bureau of the Budget; and certainly they will be just as meritorious and worthy next year.

It will be the purpose of the Senator from Oklahoma, as chairman of the Subcommittee on Flood Control and Rivers and Harbors, along with other members of the subcommittee, including the Senator from Kentucky, who is the ranking Republican member, to hold hearings when the bill comes to be con-